



# Sector Snapshot

The S&P 500 and its ten sectors are about as close to flat-line neutral territory as they can get. As shown in the table at right, the S&P is currently just below its 50-day, while five sectors are above and five sectors are below. Every single sector is in neutral territory with the exception of Industrials, which is just barely oversold. The market's long-term uptrend remains intact, although we've recently formed a little short-term downtrend channel off the all-time highs reached at the end of February.

Underlying breadth levels are all neutral as well. The 10-day advance/decline line for the S&P 500 is very close to the flat line at -2.6%, while 55% of stocks in the S&P 500 are currently above their 50-days. The 55% reading is a big positive. While the index itself is below its 50-day, more than 50% of stocks in the S&P are above their 50-days.

Consumer Discretionary, Financials, Health Care and Technology have the nicest long-term uptrend channels at the moment, while sectors like Industrials, Materials, Telecom and Utilities are either neutral or trending downward. Energy continues to build a base as it attempts to break out of its long-term downtrend. There have been plenty of names within the Energy sector that have been able to break out, but the sector as a whole has yet to do so.

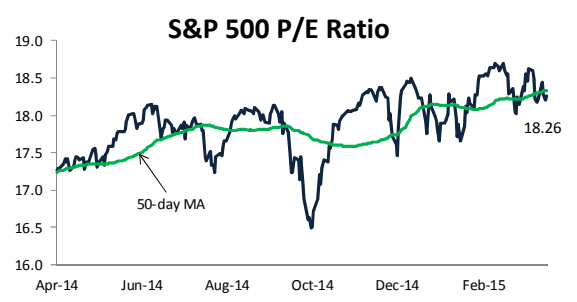
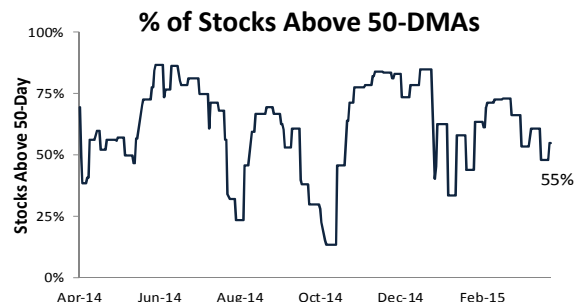
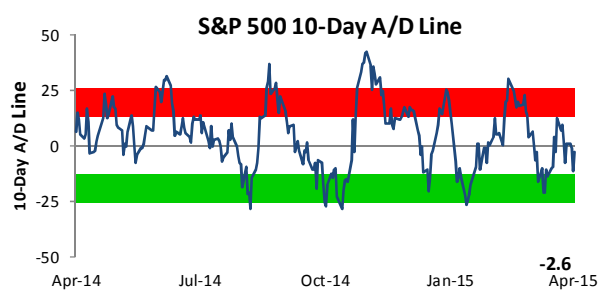
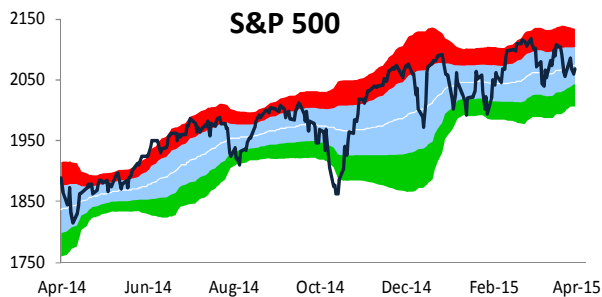
We're hoping to get something out on tomorrow's payrolls report. Have a great holiday weekend!

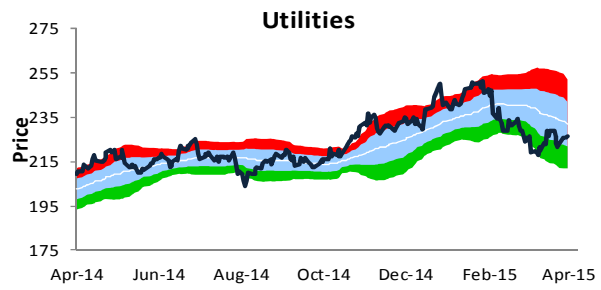
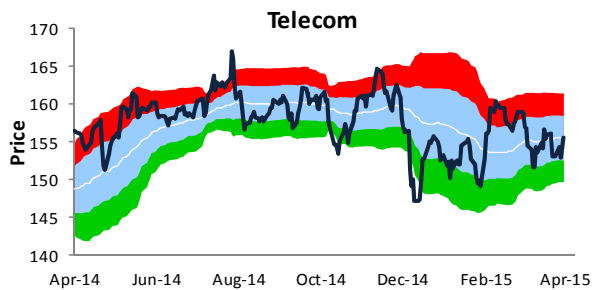
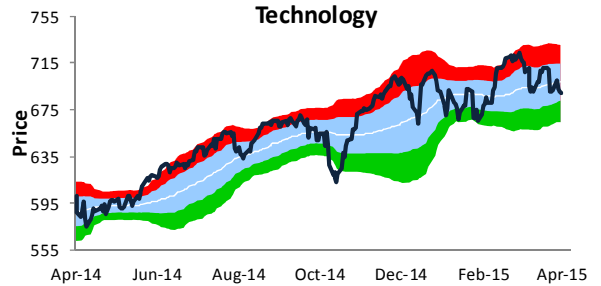
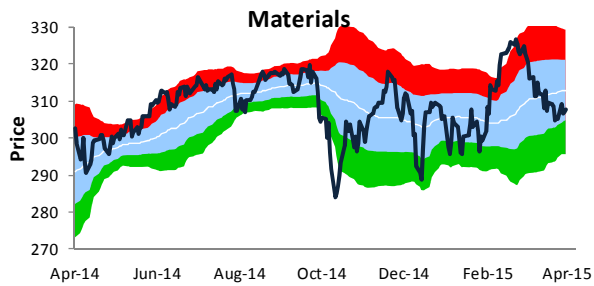
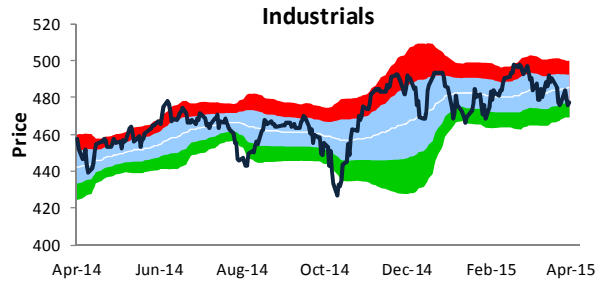
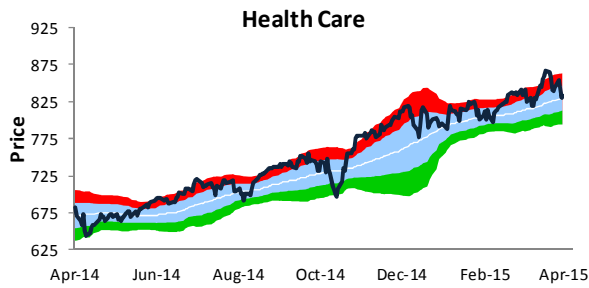
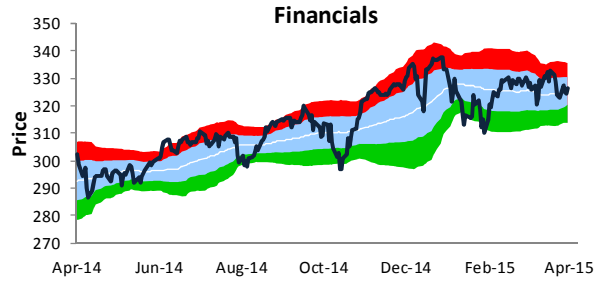
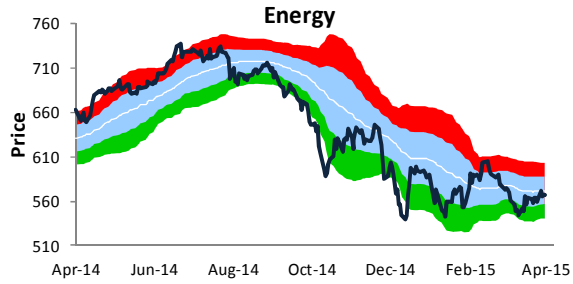
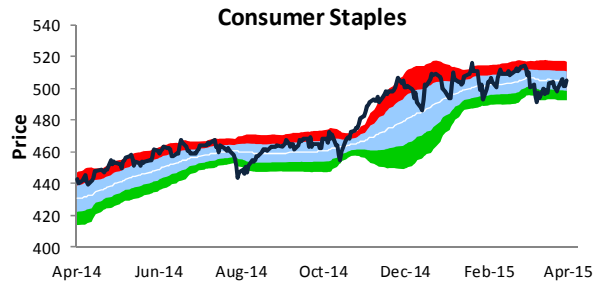
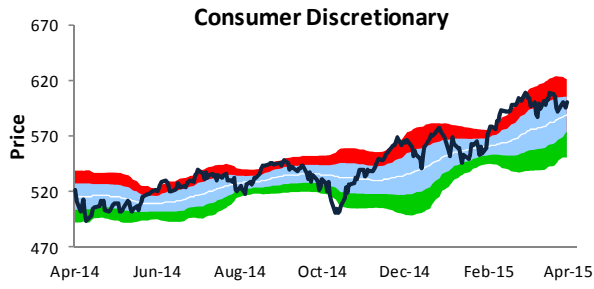
## Sector Prices vs Trading Range

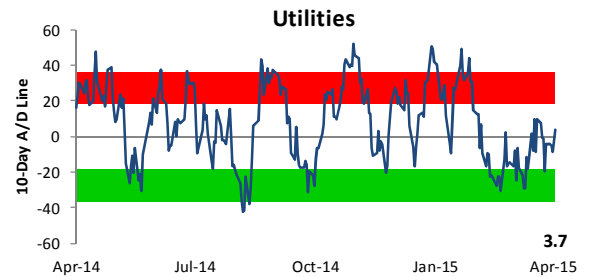
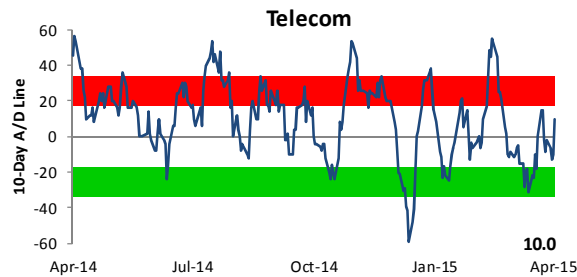
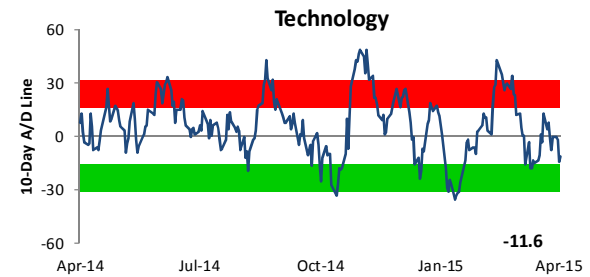
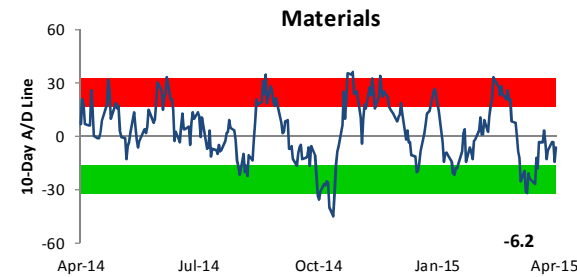
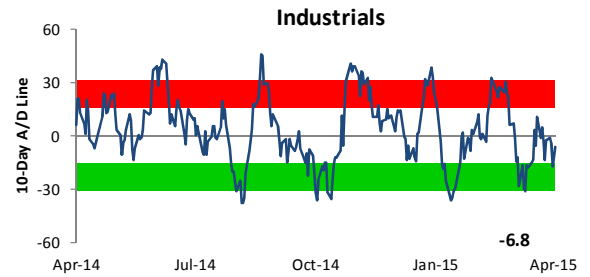
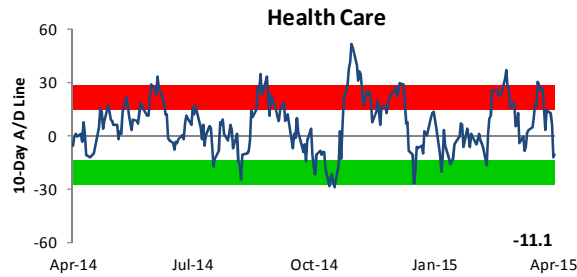
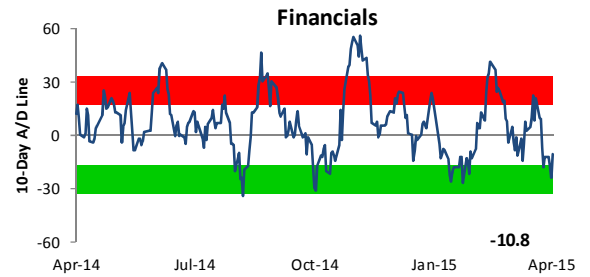
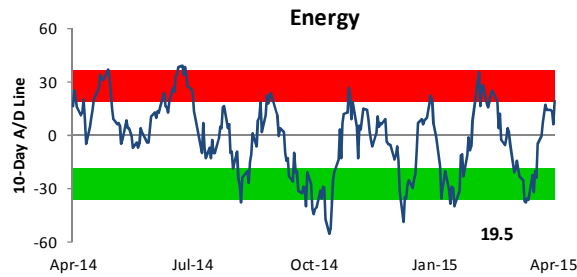
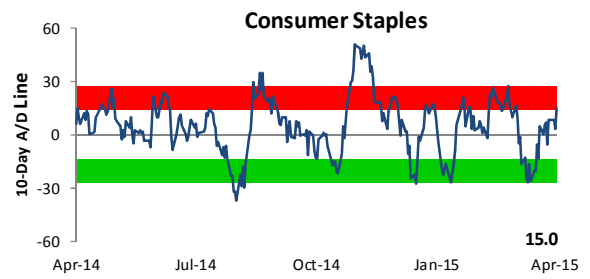
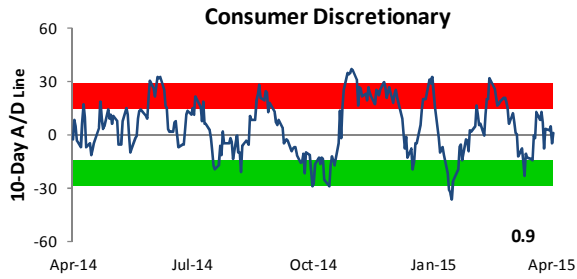
Index/Sector	Current	1 Wk Ago	OS	N	OB
S&P 500	N	N			
Cons Discret.	N	N			
Cons Staples	N	OS			
Energy	N	N			
Financials	N	N			
Health Care	N	N			
Industrials	OS	OS			
Materials	N	N			
Technology	N	N			
Telecom Svcs	N	N			
Utilities	N	OS			

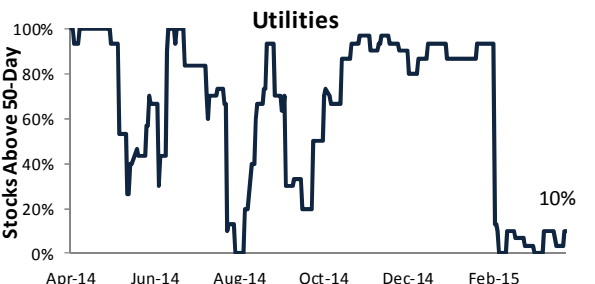
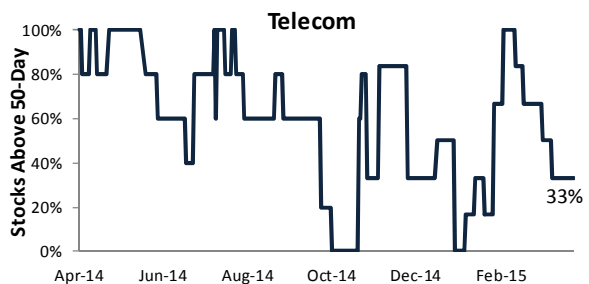
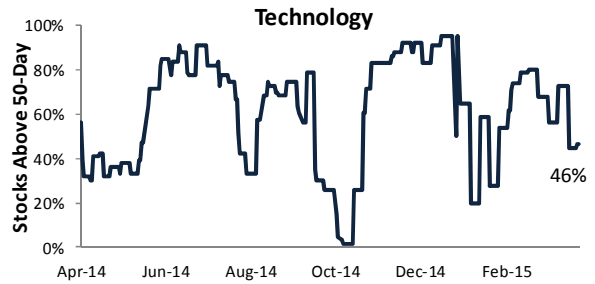
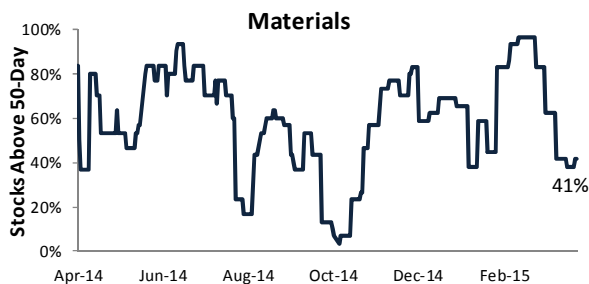
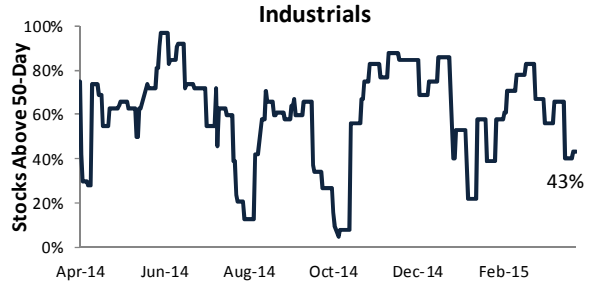
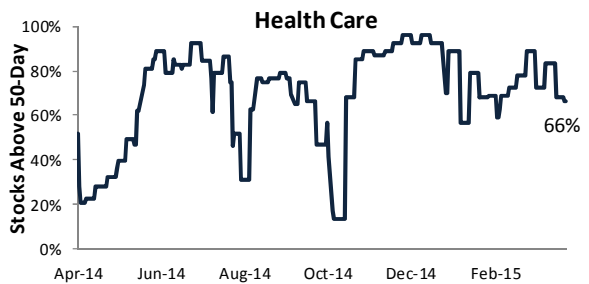
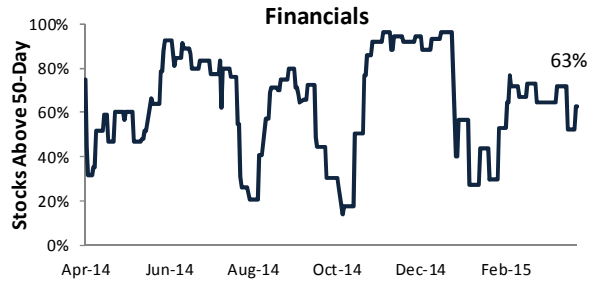
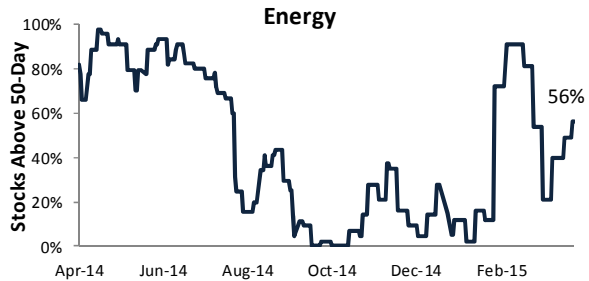
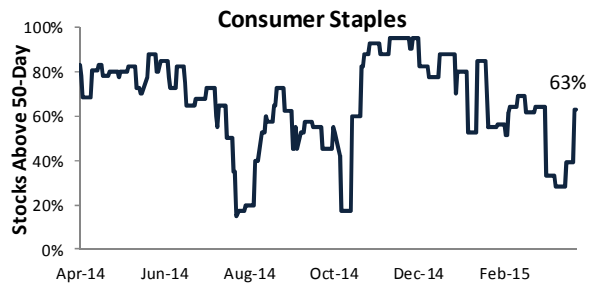
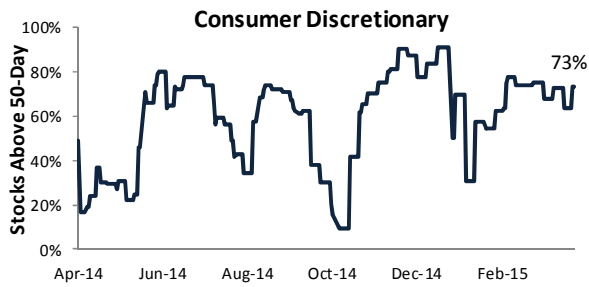
Circle represents current level.

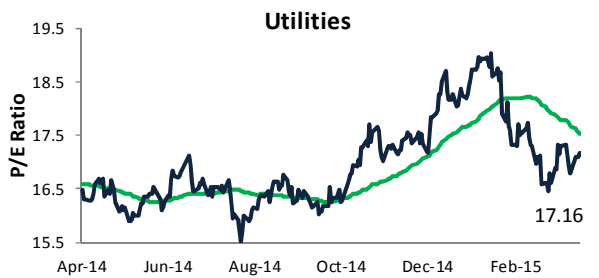
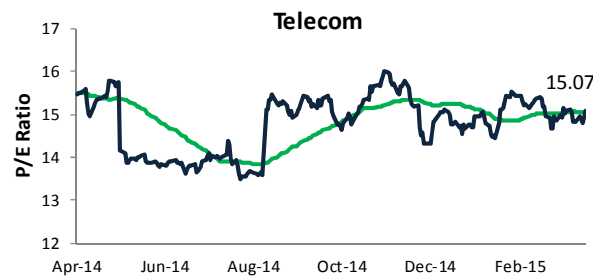
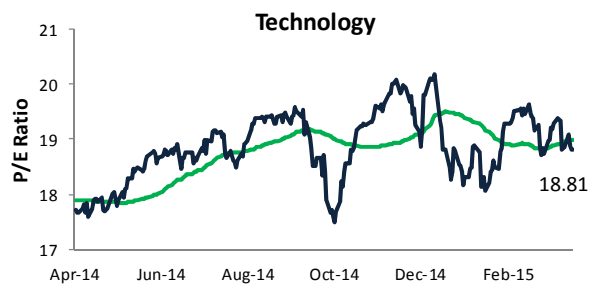
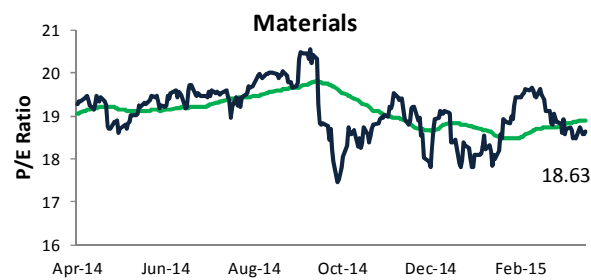
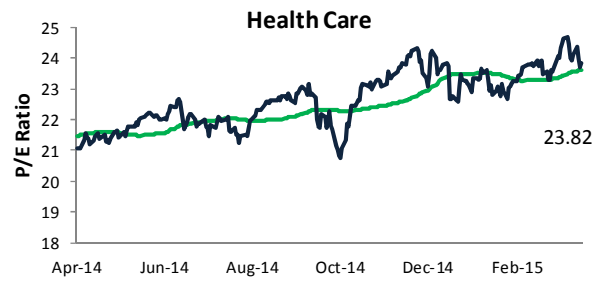
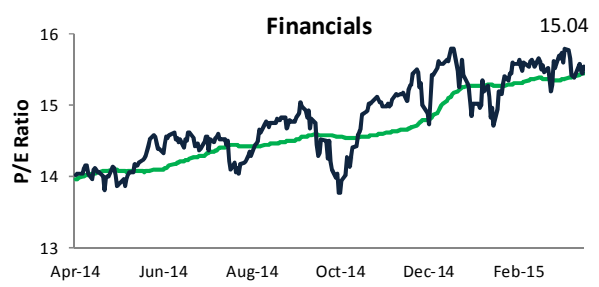
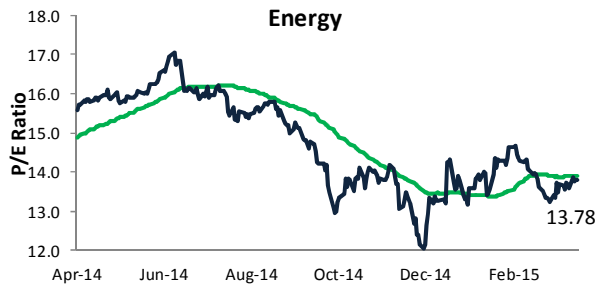
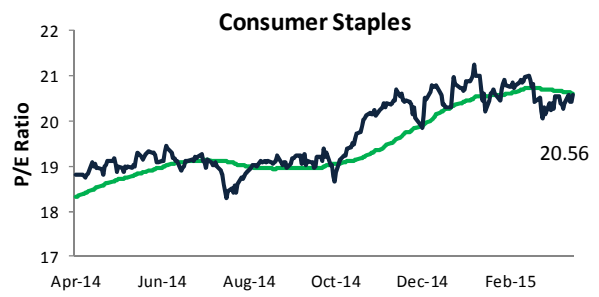
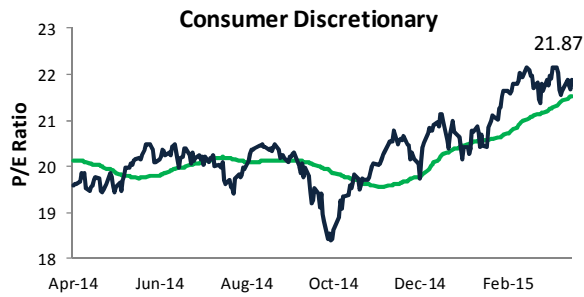
Tail represents where index was one week ago.





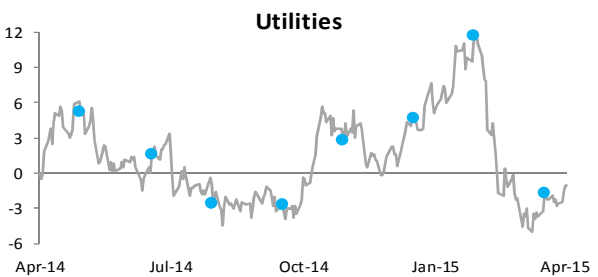
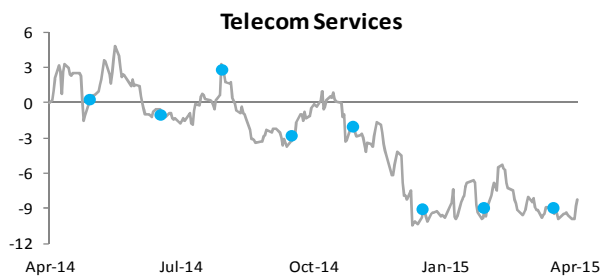
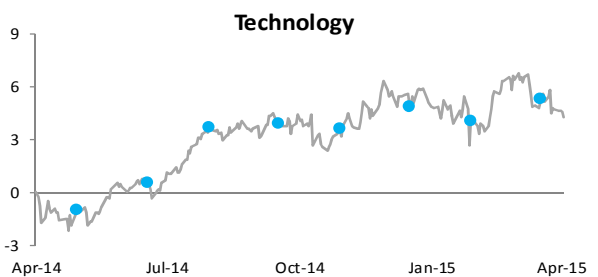
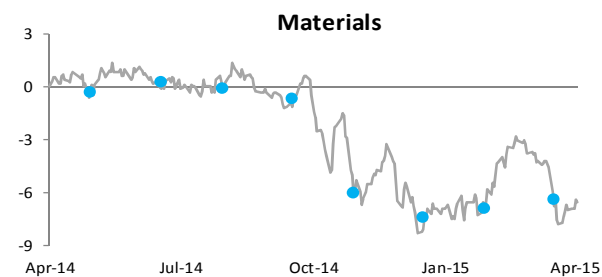
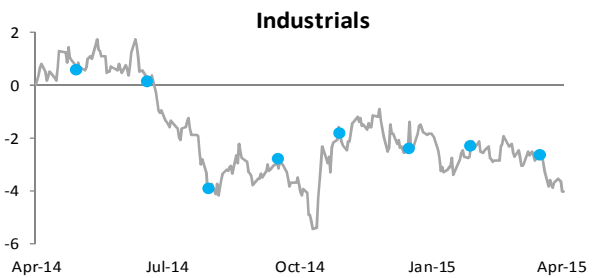
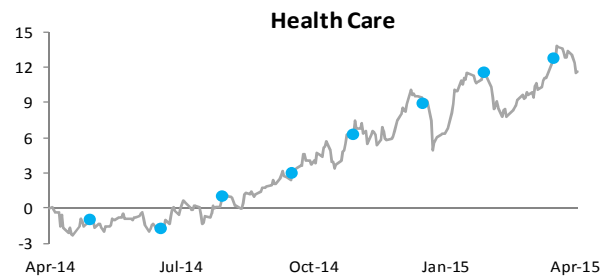
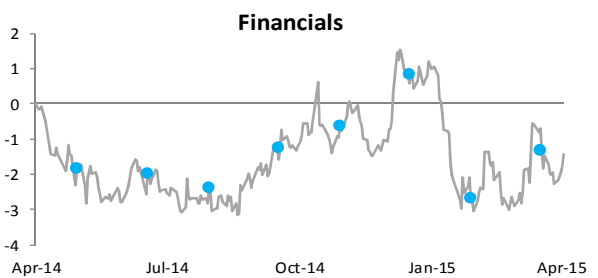
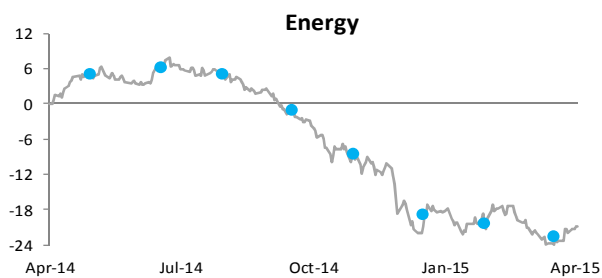
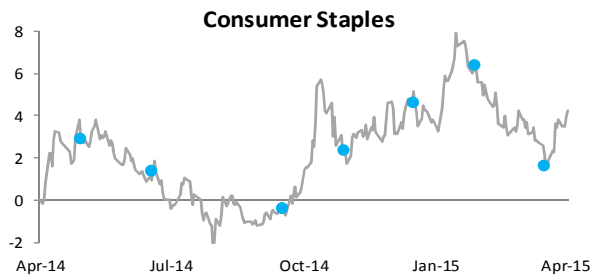
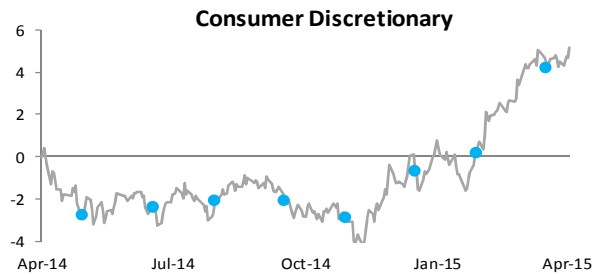


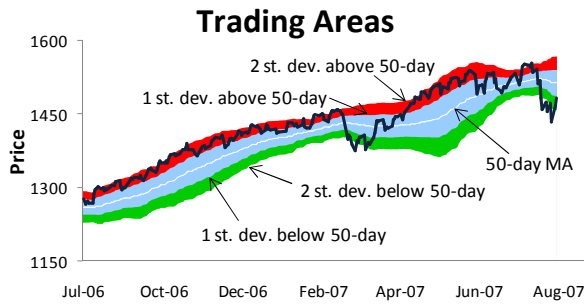




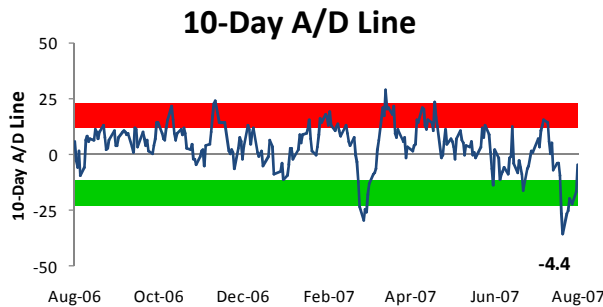


Rising lines indicate that sector is outperforming S&P 500, while downward sloping lines represent sector underperformance. Red dots indicate Fed rate cuts, and blue dots represent Fed meetings where no changes were made to interest rate policy.

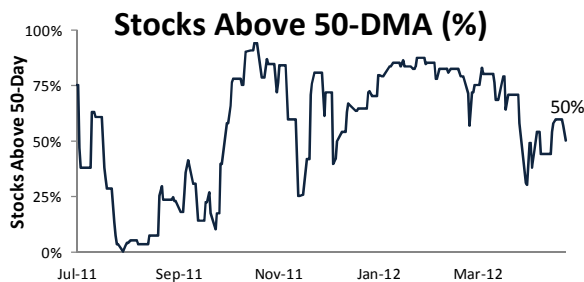




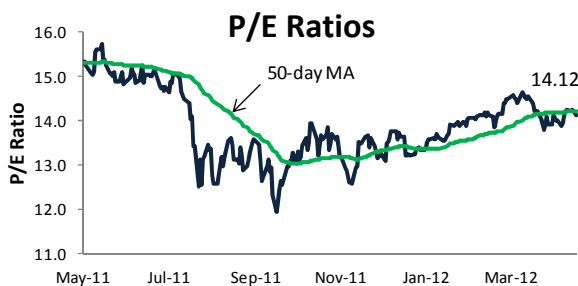
In these charts, the blue shading represents one standard deviation above and below the sector's 50-day moving average. The red area is between one and two standard deviations above the 50-day while the green area is between one and two standard deviations below. When the price moves into or above the red zone, it is considered overbought while movements into or below the green line indicate oversold levels.



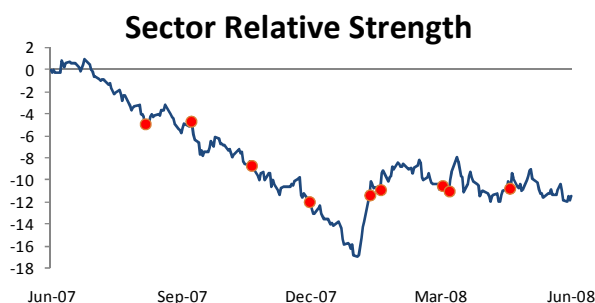
The charts of the ten-day advance-decline lines (A/D) are calculated by taking the daily number of advancers minus decliners in each sector and then adding up them up over a rolling ten day period. Just as in the Trading Area charts, the red zone marks overbought territory and the green zone marks oversold territory.



These charts highlight the percentage of stocks in each sector or index trading above their 50-day moving averages. Our experience has found that when this number has sharp moves in either direction, a short-term reversal is usually in the cards.



These charts show the trailing P/E ratio of the specified sector or index and its 50-day moving average. This enables readers to see how valuations currently stack up.



Our sector relative strength charts compare the performance of each sector to the S&P 500 over the last year. Rising lines indicate outperformance versus the S&P 500, while declining lines indicate underperformance. Red dots indicate Fed rate decisions. Many investors use relative strength to find sectors with strong or weak momentum.